

FAR WEST BANK

A Division of AmericanWest Bank, Spokane, WA

June 7, 2007

Utah Division Of Oil, Gas And Mining
Attn: Jed Pearson
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

RECEIVED

JUN 14 2007

DIV. OF OIL, GAS & MINING

PIC
5/017/047

Re: Brown Brothers Letter Of Credit

Dear Mr. Pearson:

This letter constitutes notice that Far West Bank has received release documentation and agrees to an amendment of the surety amount that will result in a balance due of \$3,000.00.

Please forward a signed Bond Release Findings and any related release documents with current balance to our offices and include new expiration release terms. Contact me with any questions or concerns you may have.

We do appreciate your assistance, thank you.

Respectfully,

Brad G. Wilson

Brad G. Wilson

Far West Bank
818 S Hwy 198
Payson, Utah 84651

801-372-4898
801-465-2600 cell
801-465-2700 fax
bwilson@farwestbank.com

FAR WEST BANK
A Division of AmericanWest Bank, Spokane, WA

☒ APPROVED

5/017/047

FAR WEST BANK

Consumer Loan Department

RECEIVED

FEB 08 2005

DIV. OF OIL, GAS & MINING

5/017/047

Letter of Credit No. _____

Date: February 2, 2005

UTAH DIVISION OF OIL, GAS AND MINING
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

and

State Trust Lands Administration
675 East 500 South
Suite 500
Salt Lake City, Utah 84102-2818

Gentlemen and Ladies:

1. Far West Bank, ("Surety"), of Provo, Utah, hereby establishes this irrevocable letter of credit (the "Letter of Credit") in favor of the Utah Division of Oil, Gas, and Mining ("Division") for itself and as agent for the State Trust Lands Administration (collectively, the "Beneficiaries") for an aggregate amount not to exceed \$14,000.00 in United States dollars ("face amount") effective immediately.

2. This Letter of Credit will expire upon the first event set forth as follows: (a) 5:00 o'clock p.m. (Salt Lake City time) on January 27, 2006 or (b) the date upon which sufficient documents are executed by the Division to release Brown Brothers Construction Co. Inc. ("operator") from further liability for reclamation for the Big Thompson Pit with notice to Bank or Surety by the Division accompanied by the original Letter of Credit with directions for cancellation.

3. This Letter of Credit will be automatically extended for successive periods of one year from the current or any future expiration date unless the surety gives notices to the Division 90 days prior to the expiration date that the surety elects not to renew the Letter of Credit.

4. Funds under the Letter of Credit are available against the Division's sight draft, in the form of exhibit A, specifying Letter of Credit No. _____ delivered to the office of the surety, 201 East Center Provo, UT 84606. At the division's sole election, the Division may present sight drafts for less than the Face Amount so long as the aggregate amount of all sight drafts does not exceed the Face Amount. Each draft must be accompanied by a certificate in the form of Exhibit B, signed by a duly authorized representative of the Division.

5. If the Surety receives the Division's sight draft(s) and certificate(s) as provided in Paragraph No. 4 above on or before the expiration or termination of this Letter of Credit, the

Surety will make such amount as the Division may specify, within the limits of the second sentence of Paragraph No.4 of this Letter of Credit, available to the Division no later than the close of business, Salt Lake City time, on the second business day following the Surety's receipt of the sight draft and certificate and in such a manner as the Division may specify.

6. The Surety will give prompt notice to the Operator and to the Division Director of any notice received or action filed alleging the insolvency or bankruptcy of the Surety, or alleging any violations of regulatory requirements which could result in suspension or revocation of the Surety's charter or license to do business.

7. The Letter of Credit will be governed by the laws of the State of Utah and shall be subject to the Uniform Customs and Practice for Documentary Credit, 1993 revision, International Chamber of Commerce Publication No. 500, as the same may be amended and in effect from time to time ("UCP"). In the event of a conflict between Utah law and the UCP, Utah law shall govern.

8. All communications regarding this Letter of Credit will be addressed to the Surety 201 East Center St. Provo, UT 84606, referencing Letter of Credit No. _____

Very truly yours,

Far West Bank

The Surety

By: Bill L. Beck

(Name typed or printed)

Bill L. Beck

(Authorized Signature)

Title: V.P.

EXHIBIT A - SIGHT DRAFT

to

Letter of Credit Number 15413635

_____	<u>Provo, Utah County</u>	_____
Date	City, County	Letter of Credit No.

PAY TO THE ORDER OF: _____ Utah Division of Oil, Gas and Mining.

_____ DOLLARS

TO: FAR WEST BANK
201 EAST CENTER STREET
PROVO, UT 84606

Utah Division of Oil, Gas and Mining
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

By: _____
Authorized Signature